

***As Engrossed: 3/1/91***

1 **State of Arkansas**  
2 **78th General Assembly**  
3 **Regular Session, 1991**  
4 **By: Representative Thicksten**  
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**A Bill ACT 1016 OF 1991**  
**HOUSE BILL 1852**

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8 **For An Act To Be Entitled**

9 "AN ACT TO AMEND TITLE 6, CHAPTER 20, SUBCHAPTER 3 OF THE  
10 ARKANSAS CODE OF 1987, TO PERMIT THE DEPARTMENT OF  
11 EDUCATION TO GRANT WAIVERS CONCERNING USE OF SPECIAL  
12 EDUCATION FUNDS; AND FOR OTHER PURPOSES."

13 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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15 SECTION 1. Arkansas Code §6-20-316 is hereby amended by adding the  
16 following new subsections to read as follows:

17 "(j) The Arkansas Department of Education (ADE) may issue a waiver  
18 allowing the use of a limited amount of special education funds, generated  
19 under Minimum Foundation Program Aid (MFPA), for students not diagnosed as  
20 seriously emotionally disturbed (SED) under special education regulations, but  
21 who have been properly diagnosed as emotionally disturbed, who receive or need  
22 to receive services in an approved school-based day treatment program. Any  
23 such waivers shall be granted only in accordance with regulations established  
24 by the department. Such students shall not be eligible to be counted for  
25 generation of MFPA under special education weighting. Such students shall not  
26 be eligible for funds under the Education of the Handicapped Act, as amended,  
27 20 U.S.C. §§1401 et seq."

28 "(k) Set-aside funds for the educational costs of handicapped children  
29 placed in approved residential treatment facilities located outside the  
30 boundaries of the State of Arkansas may be used to fund the excess cost of  
31 such placement incurred by a school district. The excess cost to the district  
32 will be that amount remaining after the district has paid the funds available  
33 under the set-aside funds at the rate of four and one-tenth (4.1) times the  
34 state base equalization rate plus an amount equal to the greater of nine (9)  
35 times the state base equalization rate or fifty percent (50%) of the balance  
36 after the district applies the four and one-tenth (4.1) times the state base

1 equalization rate to the total costs."

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3       SECTION 2. All provisions of this act of a general and permanent nature  
4 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code  
5 Revision Commission shall incorporate the same in the Code.

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7       SECTION 3. If any provision of this act or the application thereof to  
8 any person or circumstance is held invalid, such invalidity shall not affect  
9 other provisions or applications of the act which can be given effect without  
10 the invalid provision or application, and to this end the provisions of this  
11 act are declared to be severable.

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13       SECTION 4. All laws and parts of laws in conflict with this act are  
14 hereby repealed.

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*/s/ Edward Thicksten*

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APPROVED: 4/8/91

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